

Message Text

CONFIDENTIAL

PAGE 01 KUWAIT 00215 171004Z

54

ACTION EB-11

INFO OCT-01 EUR-25 NEA-10 ISO-00 SPC-03 AID-20 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 EA-11 FRB-02 INR-10 IO-14 NSAE-00

OPIC-12 LAB-06 SIL-01 FEA-02 INT-08 OIC-04 DRC-01

/185 W

----- 129266

R 170921Z NAN 74

FM AMEMBASSY KUWAIT

TO SECSTATE WASHDC 8540

INFO AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMCONSUL DHAHRAN

AMEMBASSY JIDDA

AMETASSY TEHRAN

USMISSION OECD PARIS

C O N F I D E N T I A L KUWAIT 0215

DEPT PASS WHITE HOUSE AND TREASURY

DEPT PLEASE PASS OPEC AND OECD CAPITALS

E.O? 11652: GDS

TAGS: EFIN, ENRG, KU, XX

SUBJECT: ATIQUI COMMENTS ON ENERGY AND MONETARY COOPERATION

SUMMARY: MINISTER FINANCE AND OIL PRAISED PRESIDENT NIXON'S
LETTER RE WASHINGTON MEETING MAJOR ENERGY CONSUMING NATIONS AND
COOPERATION AMONG CONSUMERS AND PRODUCERS BOTH WITH RESPECT TO
ITS TONE AND SUBSTANCE. HE REAFFIRMED HIS POSITION THAT COOPERA-
TION AMONG PRODUCERS AND CONSUMERS ESSENTIAL ALTHOUGH FOR FIRST
TIME

HE SEEMED RULE OUT MAJOR POLICY ROLE FOR INTERNATIONAL OIL COM-
PANIES. ATIQUI STRESSED THAT ANY HINT OF CONFRONTATION BETWEEN
CONSUMERS AND PRODUCERS COULD BE DISASTROUS AND URGED THAT USG
ACTIONS REFLECT SPIRIT PRESIDENT'S LETTER. ATIQUI ALSO RESPONDED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KUWAIT 00215 171004Z

POSITIVELY TO SECRETARY SCHULTZ'S CALL FOR COOPERATION AMONG INDUSTRIAL AND SURPLUS ARAB OIL COUNTRIES ON FINANCIAL AND MONETARY QUESTIONS. END SUMMARY

1. I UNEXPECTEDLY HAD ABOUT HALF-HOUR WITH MINFINANCE AND OIL ATIQI AFTERNOON JANUARY 16 DURING WHICH HE SPOKE AT LENGTH ON VARIOUS CURRENT ISSUES. ONLY OTHERS PRESENT WERE DCM AND ECONOFF. ATIQI NOTED THAT SINCE LETTER RE MEETING OF MAJOR CONSUMER NATIONS CAME FROM PRESIDENT TO AMIR, IT WOULD REQUIRE HIGH-LEVEL OFFICIAL GOK RESPONSE, BUT SPEAKING FOR HIMSELF HE WARMLY PRAISED BOTH TONE AND SUBSTANCE OF LETTER. HE FELT REASONABLE CHANCE FOR FORWARD MOVEMENT ON INTERNATIONAL COOPERATION ON ENERGY AND RELATED QUESTIONS EXISTED IF USG ACTIONS REFLECTED SPIRIT PRESIDENT NIXON'S LETTER.

2. HOWEVER, ATIQI URGED THAT ANY HINT OF CONFRONTATION BE AVOIDED. HE HAD NO QUARREL WITH REPRESENTATIVES MAJOR ENERGY PRODUCING AND CONSUMING NATIONS MEETING BUT HE WONDERED WHETHER THEY SHOULD MEET AS OPEC AND OECD. HE PREFERS MEETING OF SEPARATE COUNTRIES MEETING TOGETHER SIMPLY TO TRY TO WORK OUT SENSIBLE MEANS OF SOLVING WHAT HAVE BECOME MAJOR INTERNATIONAL PROBLEMS. MOREOVR, HE SAID, HE HOPED MEETING WOULD BE "MORE THAT SERIES OF BORING SPEACHES". THOUGH HE DID NOT SAY SO EXPLICITLY, HE SEEMED TO BE HINTING AT ESTABLISHING EITHER A NEW INSTITUTIONAL FRAMEWORK TO DISCUSS PROBLEMS OR AT INITIATING REGULAR MEETINGS OF MIXED GROUPS OF TECHNICIANS TO EXPLORE PROBLEMS IN NON-POLITICAL AND NON-ADVERSARY ENVIRONMENT.

3. FOR FIRST TIME IN CONVERSATIONS WITH ME, ATIQI HINTED THAT GOVERNMENTS WILL HAVE TO DEAL WITH EACH OTHER ON THESE MATTERS WITHOUT "INTERMEDIARIES" WHO PROFIT AT EXPENSE OF OTHERS. COMMENT: HE COULD ONLY HAVE BEEN REFERRING TO OIL COMPANIES. UNTIL NOW GOK OFFICIALS HAD STATED THERE IMPORTANT ROLE FOR OIL COMPANIES, BUT ATIQI'S REMARKS SUGGEST THEIR THINKING MAYBE UNDERGOING CHANGE. END COMMENT

4. ATIQI ALSO REMARKED ON SECRETARY SCHULTZ'S CALL CC ROME FOR GREATER COOPERATION IN FINANCIAL AND MONETARY MATTERS BETWEEN DEVELOPED COUNTRIES AND RICH OIL STATES. ATIQI SAID KUWAIT IS READY TO DO SO AND WOULD WELCOME ASSISTANCE OF OTHERS AS IT PURSUES ITS OWN ECONOMIC ASSISTANCE PROGRAMS. HE DID
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 KUWAIT 00215 171004Z

NOTE, HOWEVER, THAT IN HIS VIEW KUWAIT AND OTHER SIMILAR SURPLUS COUNTRIES NOT RPT NOT RICH. RATHER THEY TEMPORARILY IN FINANCIAL SURPLUS. AS RESULT THEY BELIEVE IT ESSENTIAL MAXIMIZE CURRENT EARNINGS AND INVEST SO THAT FUTURE GENERATIONS CAN BE ECONOMICALLY SECURE ONCE ONLY RESOURCE, I.E. OIL, IS GONE.

5. ATIQI'S REMARKS RE KOC PARTICIPATIONS NEGOTIATIONS SEPTTEL.
STOLTZFUS

NOTE BY OCT: NOT PASSED OPEC AND OECD CAPITALS.

CONFIDENTIAL

NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTERS, FOREIGN MINISTERS MEETINGS, IMPORTERS, PETROLEUM
Control Number: n/a
Copy: SINGLE
Draft Date: 17 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KUWAIT00215
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: n/a
Film Number: n/a
From: KUWAIT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740169/aaaagwuq.tel
Line Count: 124
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 24 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 APR 2002 by boyleja>; APPROVED <30-Sep-2002 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 971020
Subject: ATIQU COMMENTS ON ENERGY AND MONETARY COOPERATION SUMMARY: MINISTER FINANCE AND OIL PRAISED PRESIDENT NIXON'S
TAGS: EFIN, ENRG, KU, XX, OPEC, (ATIKU)
To: STATE INFO ABU DHABI
BEIRUT
DHAHRAN
MULTIPLE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

